

By: Watson

S.B. No. 629

A BILL TO BE ENTITLED

AN ACT

relating to authorizing the issuance of revenue bonds for The University of Texas at Austin.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 55, Education Code, is amended by adding Section 55.1782 to read as follows:

Sec. 55.1782. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of The University of Texas System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, or other facilities, including roads and related infrastructure, for an engineering education and research center for The University of Texas at Austin, to be financed by the issuance of bonds in accordance with this subchapter, including bonds issued in accordance with a systemwide revenue financing program and secured as provided by that program, in an aggregate principal amount not to exceed \$100 million.

(b) The board may pledge irrevocably to the payment of bonds authorized by Subsection (a) all or any part of the revenue funds of an institution, branch, or entity of The University of Texas System, including tuition charges required or authorized by law to be imposed on students enrolled at an institution, branch, or entity of The University of Texas System. The amount of a pledge

1 made under this subsection may not be reduced or abrogated while the
2 bonds for which the pledge is made, or bonds issued to refund those
3 bonds, are outstanding.

4 (c) If sufficient funds are not available to the board to
5 meet its obligations under this section, the board may transfer
6 funds among institutions, branches, and entities of The University
7 of Texas System to ensure the most equitable and efficient
8 allocation of available resources for each institution, branch, or
9 entity to carry out its constitutional and statutory duties and
10 purposes.

11 SECTION 2. Section 61.0572(e), Education Code, is amended
12 to read as follows:

13 (e) Approval of the board is not required to acquire real
14 property that is financed by bonds issued under Section 55.17(e)(3)
15 or (4), 55.1713-55.1718, 55.1721-55.1728, 55.1735(a)(1), 55.174,
16 55.1742, 55.1743, 55.1744, 55.1751-55.17592, 55.1768, 55.1771,
17 [~~or~~] 55.17721, or 55.1782, except that the board shall review all
18 real property to be financed by bonds issued under those sections to
19 determine whether the property meets the standards adopted by the
20 board for cost, efficiency, and space use. If the property does
21 not meet those standards, the board shall notify the governor, the
22 lieutenant governor, the speaker of the house of representatives,
23 and the Legislative Budget Board.

24 SECTION 3. Section 61.058(b), Education Code, is amended to
25 read as follows:

26 (b) This section does not apply to construction, repair, or
27 rehabilitation financed by bonds issued under Section 55.17(e)(3)

1 or (4), 55.1713-55.1718, 55.1721-55.1728, 55.174, 55.1742,
2 55.1743, 55.1744, 55.1751-55.17592, 55.1768, 55.1771, [~~or~~]
3 55.17721, or 55.1782, except that the board shall review all
4 construction, repair, or rehabilitation to be financed by bonds
5 issued under those sections to determine whether the construction,
6 rehabilitation, or repair meets the standards adopted by board rule
7 for cost, efficiency, and space use. If the construction,
8 rehabilitation, or repair does not meet those standards, the board
9 shall notify the governor, the lieutenant governor, the speaker of
10 the house of representatives, and the Legislative Budget Board.

11 SECTION 4. This Act does not affect any authority or
12 restriction regarding the activities that a public institution of
13 higher education may conduct in connection with a facility financed
14 by bonds authorized by this Act.

15 SECTION 5. This Act takes effect immediately if it receives
16 a vote of two-thirds of all the members elected to each house, as
17 provided by Section 39, Article III, Texas Constitution. If this
18 Act does not receive the vote necessary for immediate effect, this
19 Act takes effect September 1, 2013.